Unraveling the Complexity of Human-AI Relationships:
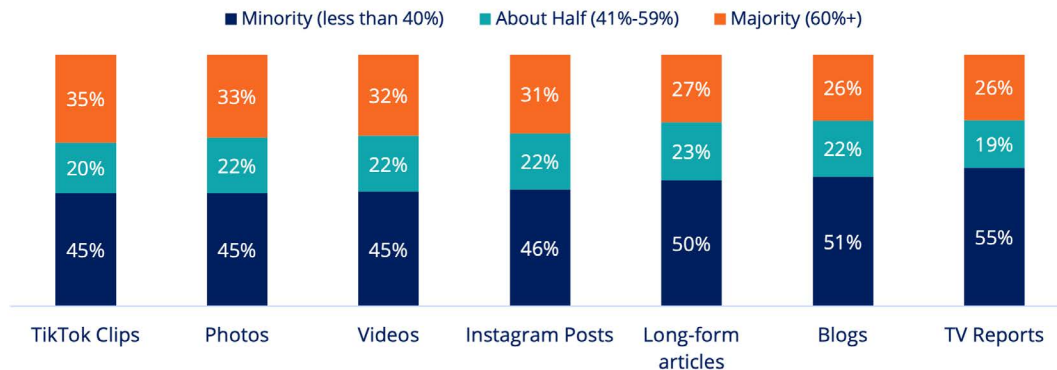
TRUST, ETHICS,
AND CUSTOMER
EXPERIENCES

▶

The advent of AI has brought into view all the possibilities for automating and modernizing the way we do business. In the last several years AI has crossed over from specific organizational use cases into the mainstream putting productivity tools and other assistive technologies directly into the hands of consumers. But how do they feel about these developments? Consumers have strong opinions about brands and the role they play in everyday life. Consumer-brand relationships are colliding with technology in ways previously unimagined and several factors are shaping how consumers view the potentials and the pitfalls associated with AI in the marketplace.
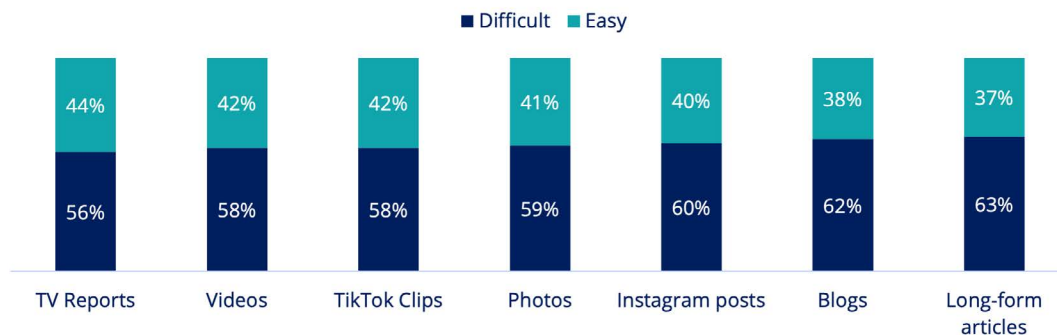
Pega teamed up with Savanta to survey 5,000 global consumers on their views about artificial intelligence. Results reveal that while an overall human distrust of artificial intelligence is palpable and varies across regions and demographics, consumers welcome its' use to improve customer experiences. Two-thirds (67%) of respondents agree AI has the potential to improve the customer service of businesses they interact with, while more than half (54%) say companies using AI will be more likely to offer better benefits to customers compared to businesses that do not. Meanwhile, nearly half of respondents (47%) indicated they are comfortable interacting with well-tested AI services from businesses, and two-thirds (64%) say they expect most major departments within organizations will be run using AI and automation within the next ten years.

Consumer perceptions of content generated by AI

Thinking about the news that you consume, how much of the following types of content do you think is generated by AI?

■ Minority (less than 40%) ■ About Half (41%-59%) ■ Majority (60%+)

	TikTok Clips	Photos	Videos	Instagram Posts	Long-form articles	Blogs	TV Reports
Majority (60%+)	35%	33%	32%	31%	27%	26%	26%
About Half (41%-59%)	20%	22%	22%	22%	23%	22%	19%
Minority (less than 40%)	45%	45%	45%	46%	50%	51%	55%

How easy or difficult do you think it is to tell whether the following content has been generated by AI or a human?
(n=5,239)

■ Difficult ■ Easy

	TV Reports	Videos	TikTok Clips	Photos	Instagram posts	Blogs	Long-form articles
Easy	44%	42%	42%	41%	40%	38%	37%
Difficult	56%	58%	58%	59%	60%	62%	63%

Consumers seem to perceive AI-generated content as more biased compared to that crafted by human hands. This viewpoint reveals a dichotomy in the way we perceive the neutrality of AI. This perception of bias only adds to an already growing distrust in our media ecosystem that humans are already distrustful of. Interestingly trust levels vary across age groups, with younger individuals more likely to place trust in content generated by AI than those aged 50 and above.

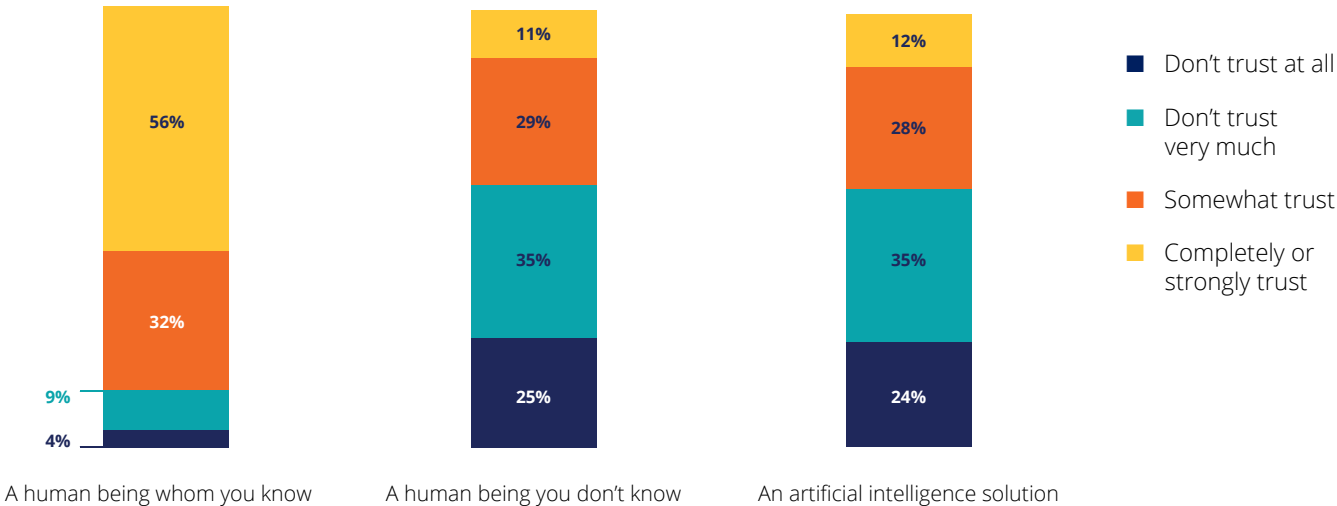## Do you think content generated by AI tends to be more biased or less biased than content that is created by humans?

■ More biased　　■ Less biased

52%　48%
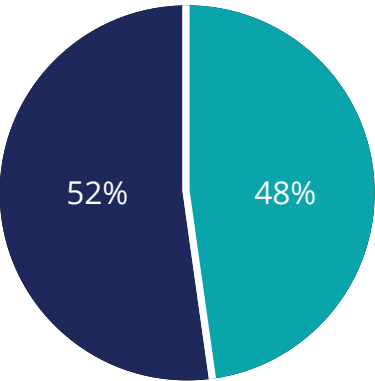
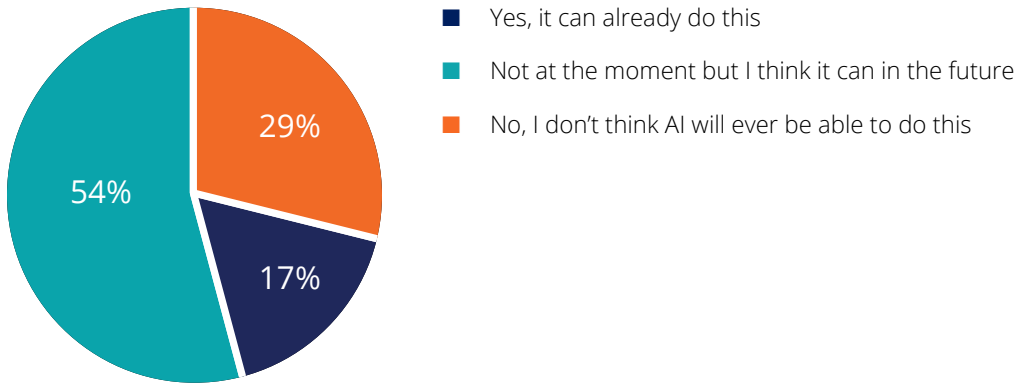|	Ages 18-39	Ages 40-49	Ages 50+
More biased	**48%**	51%	**57%**
Less biased	52%	49%	43%

Trust and ethics are fundamental elements in the discourse around AI. One concern lies in the potential for AI to "evolve" and behave immorally. This distrust is prominent when it comes to entrusting AI with life-altering decisions, even when the odds favor a better outcome - case in point, the application of AI in healthcare and finance. When it comes to financial decisions, such as securing a bank loan, 68% of people would trust a human over an AI. And where it relates to receiving a medical diagnosis, 75% of those surveyed would trust a human doctor over an AI with a better track record of accuracy. This underscores the enduring need for human touch in personal, high-stakes situations.

How much would you trust each of the following to make a split-second 'life or death' decision?

A human being whom you know	A human being you don't know	An artificial intelligence solution
56% / 32% / 9% / 4%	11% / 29% / 35% / 25%	12% / 28% / 35% / 24%

Legend:
■ Don't trust at all
■ Don't trust very much
■ Somewhat trust
■ Completely or strongly trust

Nevertheless, there is also an expectation that AI will eventually be able to make decisions within ethical frameworks, highlighting the belief in AI's potential to mirror or even improve upon human decision-making processes.

Do you think AI can have a conscience / set of principles that allows it to make ethical judgement calls on what information it should, or should not share.

- ■ Yes, it can already do this
- ■ Not at the moment but I think it can in the future
- ■ No, I don't think AI will ever be able to do this

29%

54%

17%

Consumers see benefits for AI-powered customer experiences

Survey results indicate that distrust of AI is underpinned by a general distrust in brands as a whole and that trend is growing. Only 40% of consumers think businesses they interact with have their best interests at heart.

Pegasystems surveyed consumers in 2019 with the same question, and current results indicate an uptick in that distrust. Consumers want businesses to do better, with 74% of consumers believing that businesses have a moral obligation to their customers that goes beyond legal requirements. Notable is that consumers 50+ distrust not just artificial intelligence but brands as well more than their younger counterparts.

Do you believe that businesses you interact with truly have the customer's best interests at heart?

2019 ■ Yes ■ No

35%

65%

2023 ■ Yes ■ No

40%

60%
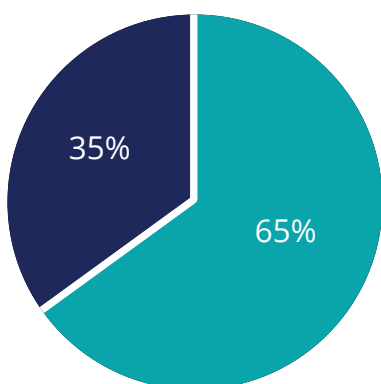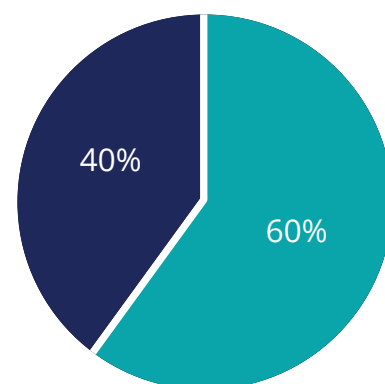
|	Ages 18-39	Ages 40-49	Ages 50+
Yes	**47%**	40%	**34%**
No	53%	60%	66%

	Austrailia	France	Japan	UK	USA
Yes	38%	**49%**	**31%**	**31%**	**48%**
No	62%	51%	69%	69%	52%

Even though consumers seem to generally distrust AI, customers do recognize the potential for AI to improve customer experiences and welcome those changes. Consumers experience higher comfort levels when interacting with well-tested AI services, especially among younger generations. Top use cases where humans are comfortable interacting with AI include pre-emptive service, personalization for more seamless and efficient customer experiences, and personalized product recommendations.

More people are also willing to share personal information when there is a clearly defined value exchange, for example, to receive relevant offers, revealing a shift in privacy concerns in favor of personalized experiences. As many as 70% of respondents believe that brands show empathy by ensuring conversations are interesting, appropriate, and valuable. This bodes well for brands who are utilizing AI in their customer engagement strategies.

How likely do you think it is that generative AI, such as ChatGPT, will become sentient or self-conscious?

■ Unlikely   ■ Likely

	Total	Ages 18-39	Ages 40-49	Ages 50+
Likely	67%	74%	69%	62%
Unlikely	33%	26%	31%	38%
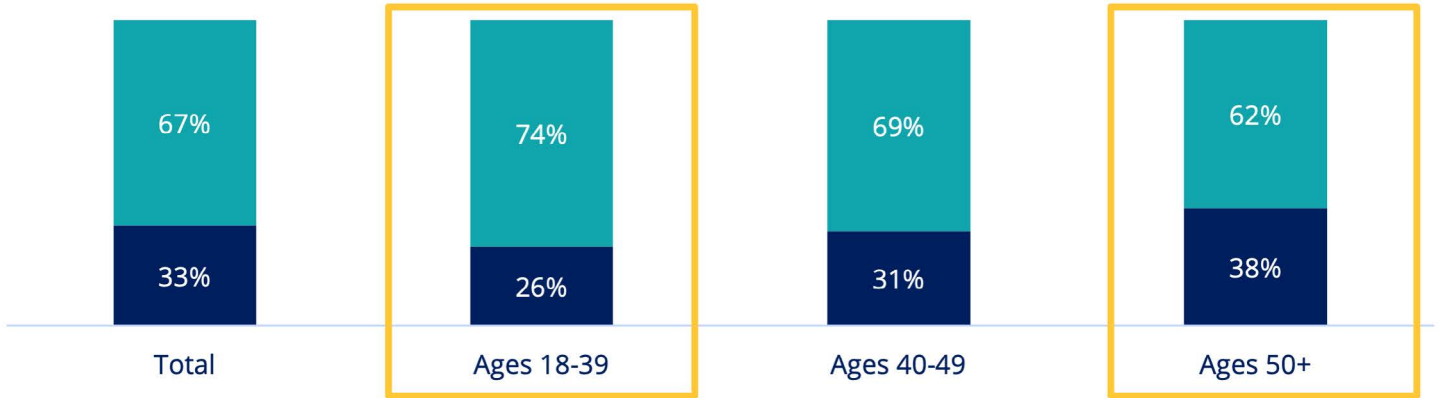
On a scale of 1-10, how important would the following be for you to consider that the AI is showing empathy?

Checking it has understood you correctly	79%
Making sure that a conversation it has with you is interesting, appropriate, and valuable	70%
Responding emotionally (in a positive or caring manner)	66%
Asking you how you are and how your day is going	59%
Remembering your birthday	55%
Giving up one of its components to another computer	48%
Ordering your coffee ahead of you walking into your regular coffee shop	46%
Telling you it loves you	38%

In conclusion, the landscape of AI is complex and layered, with perceptions varying across demographics and use cases. While skepticism and concerns about trust and ethics remain, there is also growing recognition of the potential benefits that AI can bring, particularly in the realm of customer experience. As we continue to navigate the intertwining pathways of human and AI interactions, the key lies in striking a balance between technological advancement and maintaining the essential human touch.

Methodology

Pega partnered with research firm Savanta to study consumers' perceptions of AI. More than 5,000 people worldwide were surveyed on their views on AI, its continued evolution, and the ways in which people interact with the technology. Respondents were asked about how empathetic they believe AI can be, what services they would trust AI to handle, whether AI shows bias and their thoughts around AI-generated content.

The results included responses from the United States, the United Kingdom, France, Australia, and Japan. In total, 5,239 people were surveyed in the spring of 2023.